

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: MAY 16, 2007

DEPARTMENT: CITY ATTORNEY**DIRECTOR: BRADFORD R. JERBIC**☐ Consent ☒ Discussion**SUBJECT:**

Discussion and possible action regarding continued funding of Harrison, Kemp & Jones to represent the City of Las Vegas in an arbitration filed against it by Asphalt Products Corporation over the construction of Washington Buffalo Park Phases 1-A and 1-B for an amount not to exceed \$700,000 - Ward 4 (Brown)

Fiscal Impact☐**No Impact**☐**Augmentation Required**☒**Budget Funds Available****Amount:** \$700,000**Funding Source:** General Fund**Dept./Division:** City Attorney**PURPOSE/BACKGROUND:**

Asphalt Products Corporation (APCO) contracted with the City to construct Washington Buffalo Park Phases 1-A and 1-B December 17, 2003. The contract is identified under Bid No. 03.15341.08-LD. On December 8, 2005, APCO filed for arbitration. APCO has yet to specify the amount of its demand, however, before arbitration it was demanding \$6.5 million in addition to the contract price. The City of Las Vegas has counterclaimed for millions of dollars. The City Council authorized funds not to exceed \$300,000 July 6, 2005, and \$500,000 September 6, 2006, to pay Harrison, Kemp & Jones to represent the City of Las Vegas. Consultant, expert witness, testing, printing, arbitration, related expenses, and attorneys' fees now approach \$800,000.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

None

Motion made by LARRY BROWN to Approve

Passed For: 6; Against: 0; Abstain: 1; Did Not Vote: 0; Excused: 0

BRENDA J. WILLIAMS, LOIS TARKANIAN, LARRY BROWN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-OSCAR B. GOODMAN); (Did Not Vote-None); (Excused-None)

NOTE: MAYOR GOODMAN disclosed that he would be abstaining, on the advice of the City Attorney's Office, due to a minority interest in property with one principal of APCO.

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Minutes:

WILLIAM HENRY, Senior Litigation Counsel, indicated this matter is in order. The money being sought is for defense in this case.

After the vote, MAYOR GOODMAN confirmed with CITY ATTORNEY JERBIC that he could make an inquiry. He asked CITY ATTORNEY JERBIC to comment on how much this litigation will ultimately cost. CITY ATTORNEY JERBIC replied that he has informed outside counsel that this is the last time additional monies would be requested to litigate this matter.

